

Michigan Department of Civil Service

# REGULATION

<b>Appointing Authority Letter Reference:</b>  CS-6940	<b>Effective Date:</b>  March 18, 2001	<b>Index Reference:</b>  Probationary Period, Employee Rating	<b>Regulation Number:</b>  <b>2.06</b>
<b>Issuing Bureau:</b>  Human Resource Services	<b>Rule Reference:</b>  Rules 2-3 (Service Ratings) 3-5 (Probation and Status)		<b>Replaces:</b>  Reg. 2.06 (CS-6928, Oct. 16, 2000)
<b>Subject:</b>  CONDUCTING EMPLOYEE RATINGS			

## TABLE OF CONTENTS

<b>1. Purpose</b>	<b>1</b>
<b>2. Civil Service Rule Reference</b>	<b>2</b>
<b>3. Definitions</b>	<b>6</b>
A. Civil Service Commission Rule Definitions	6
B. Additional Definitions as Used in This Regulation	6
<b>4. Standards</b>	<b>7</b>
A. Rating Forms	7
B. Probationary Period Ratings	8
C. Annual Evaluation and Progress Review (Nonprobationary Employees)	10
D. Interim and Follow-up Ratings (Nonprobationary Employees)	11
<b>5. Procedures</b>	<b>13</b>
A. Probationary Ratings	13
B. Annual Evaluations and Progress Reviews	14
C. Interim and Follow-up Ratings	16

## **1. PURPOSE**

This regulation establishes the standards and procedures approved by the state personnel director for conducting employee ratings.

## 2. **CIVIL SERVICE RULE REFERENCE**

### ***Rule 2-3 Service Ratings***

**2-3.1 Rating System.** *The state personnel director shall issue regulations to establish a system of service ratings to report the quality of service rendered by each employee in the classified service.*

#### **2-3.2 Submission**

- (a) **Probationary ratings.** *An appointing authority shall evaluate and rate the performance of each probationary employee during and at the end of the probationary period, as provided in rule 3-5 [Probation and Status]. The appointing authority shall certify each probationary service rating to the department of civil service as directed by the department.*
  - (1) **Full-time employment.** *At a minimum, an appointing authority shall rate a full-time probationary employee after completion of 6 months and again after completion of one year of employment. In addition, if the probationary employee is a new hire without status in the classified service, the appointing authority shall rate the employee after completion of 3 months of employment.*
  - (2) **Less than full-time employment.** *At a minimum, an appointing authority shall rate a probationary employee working less than full-time after completion of 9 months and again after completion of 18 months of employment. In addition, if the probationary employee is a new hire without status in the classified service, the appointing authority shall rate the employee after completion of 3 months of employment.*
  - (3) **Extension of probation.** *If a probationary period is extended beyond one year (for full-time employees) or 18 months (for less than full-time employees), the appointing authority shall also issue a service rating at the end of the extension of the probationary period.*
- (b) **Annual ratings.** *An appointing authority shall rate the performance of each nonprobationary employee at least annually. The appointing authority may use any appropriate rating method, including performance management plan ratings, unless the regu-*

*lations require a particular method. The appointing authority shall certify each annual rating to the department of civil service as directed by the department.*

- (c) **Interim ratings.** *An appointing authority may issue an interim service rating for an employee at any time.*
- (d) **Follow-up ratings.** *If an employee's performance rating is less than satisfactory but the employee is not dismissed, the appointing authority shall establish in writing the length of a follow-up rating period. The appointing authority shall issue a follow-up service rating before or within 14 calendar days after the end of the follow-up rating period. If the appointing authority fails to issue a follow-up service rating within the time allowed, the employee may, within 14 calendar days after the end of the period allowed for issuance of the follow-up rating, request in writing that the appointing authority issue the follow-up service rating. If the appointing authority fails to issue the follow-up service rating within 14 calendar days after the employee's written request, the employee is returned to satisfactory standing, effective the end of the follow-up rating period. However, the return to satisfactory standing does not nullify any prior unsatisfactory performance rating or preclude the later use of any such rating.*

**2-3.3 Unsatisfactory Service Rating.** *If an employee receives a service rating that is less than satisfactory, the appointing authority may discipline the employee, up to and including dismissal. If an employee's last two service ratings are less than satisfactory and the appointing authority has taken no adverse action, the state personnel director may recommend to the civil service commission that the employee be removed from the position. An employee who receives a service rating that is less than satisfactory is not eligible to receive a performance-pay award or a higher salary step.*

**2-3.4 Employee Review.** *Agency management shall report each employee's service rating to the employee. If the employee receives a service rating that is less than satisfactory, agency management shall review the rating with the employee. The employee shall sign and date the service rating as evidence of the review. The employee's signature on a service rating does not indicate that the employee agrees with the service rating. The employee may file an explanatory statement to accompany the service rating.*

### **2-3.5 Performance-Pay Program Evaluation System**

- (a) **Performance measures.** *An appointing authority shall establish performance objectives or competencies against which to measure the performance of each employee in the following:*
  - (1) *The senior executive service (SES).*
  - (2) *The senior executive management assistant service (SEMAS).*
  - (3) *Equitable classification plan (ECP) Group 4.*
  - (4) *ECP Groups 1, 2 or 3, when the state personnel director has approved the employee's inclusion in the performance-pay program.*
- (b) **Annual review.** *An appointing authority shall complete a performance appraisal and a salary review for each employee in the performance-pay program at least annually.*
- (c) **Use of the appraisal.** *An appointing authority shall use the performance appraisal as one factor in determining an employee's eligibility for an increase in base salary or a lump sum award. A performance appraisal may also be used in other human resource decisions, including promotion, retention, assignment, and need for training.*

## **Rule 3-5 Probation and Status**

### **3-5.1 Probationary Period**

- (a) **New employee without status.** *A newly appointed classified employee who does not have status in the classified service when appointed must satisfactorily complete a working test period, called a probationary period, and receive a final satisfactory probationary service rating as provided in rule 2-3 [Service Ratings] as a condition of continued employment.*
- (b) **Employee with status.** *An employee with status who is appointed to a new classification must satisfactorily complete a working test period, called a probationary period, and receive a final satisfactory probationary service rating as provided in rule 2-3*

*[Service Ratings] as a condition of continued appointment in that position.*

- (c) ***SES and SEMAS exceptions.*** *This rule does not apply to persons appointed to positions in the senior executive service (SES) and the senior executive management assistant service (SEMAS).*

### **3-5.2 Length of Probationary Period**

- (a) ***Minimum length.*** *The minimum length of a probationary period is 12 months of full-time employment or 18 months of less than full-time employment.*
- (b) ***Extension of probationary period.*** *If the department of civil service or the appointing authority determines that (1) the probationary period has been insufficient to adequately test the performance of a probationary employee or (2) the performance of a probationary employee has been less than satisfactory, the department or the appointing authority may extend the probationary period for an employee. Any extension beyond an additional 6 months requires the approval of the state personnel director. The department or appointing authority shall give written notice of the extension of the probationary period to the employee.*

### **3-5.3 Unsatisfactory Service**

- (a) ***Employee without status.*** *If an employee without status does not perform satisfactorily during the probationary period, as provided in rule 2-3 [Service Ratings], the appointing authority may dismiss the employee during the probationary period or within 28 calendar days after the probationary period ends. The appointing authority shall give notice of a dismissal to the employee and the department of civil service no later than 28 calendar days after the probationary period ends.*
- (b) ***Employee with status.*** *If an employee with status is appointed to a new classification and does not perform satisfactorily during the probationary period, as provided in rule 2-3 [Service Ratings], the appointing authority may, during the probationary period or within 28 calendar days after the probationary period ends, (1) dismiss the employee from the classified service or (2) rescind the appointment and demote the employee.*

**3-5.4 Satisfactory Service; Notice.** *If an employee's service during the probationary period, is satisfactory, the appointing authority shall give notice to the employee and the department of civil service within 28 calendar days after the probationary period ends.*

\* \* \*

### 3. **DEFINITIONS**

#### A. **Civil Service Commission Rule Definitions**

1. **Appointing authority** *means each of the following:*
  - (a) *A single executive heading a principal department.*
  - (b) *A chief executive officer of a principal department headed by a board or commission.*
  - (c) *A person designated by either of the preceding as responsible for administering the personnel functions of the department, board, commission or agency of convenience.*
2. **Status** *means the recognition of an employee who has been properly appraised, qualified, and appointed to the classified service and who has satisfactorily completed the probationary period in an indefinite or limited-term appointment.*

#### B. **Additional Definitions as Used in This Regulation**

1. **Competency** means an ability, skill, knowledge, and motivation needed for success on the job.
2. **Day** means calendar day.
3. **Equitable Classification Plan (ECP) Group 1** means nonsupervisory classifications that typically require less than a bachelor's degree for entry. Employees in these positions typically provide technical, office, paraprofessional, and other services that do not require a four-year degree.
4. **Equitable Classification Plan (ECP) Group 2** means nonsupervisory classifications that typically require a bachelor's degree or higher, or an equivalent combination of education and experience, for entry.

5. ***Equitable Classification Plan (ECP) Group 3*** means managerial and supervisory classifications that typically direct programs within a state agency and play an integral role in the management and supervision of state services. These positions are typically section heads, unit heads, and other positions that are organizationally or functionally equivalent.
6. ***Equitable Classification Plan (ECP) Group 4*** means the second highest tier of classified management positions that administer programs within a state agency. These positions are typically division directors, office directors, bureau directors, their deputies, and other positions that are organizationally or functionally equivalent.
7. ***Probationary period*** means a working test period that every person appointed to a new classification must satisfactorily complete as a condition of continued employment.
8. ***Senior Executive Management Assistant Service (SEMAS)*** means positions that perform administrative support, management assistant, and related executive support activities. These positions report to policy-making boards and commissions, department directors, members of the senior executive service, and other equivalent unclassified positions.
9. ***Senior Executive Service (SES)*** means the highest level classified positions in which the employees typically (1) report directly to state department directors or boards and commissions heading principal departments, (2) formulate and implement major policy, or (3) influence major programs and policies relating to the critical mission of each state department.
10. ***Supervisor***, for the purpose of this regulation, means the person who has formal authority for enforcing directives and ensuring satisfactory performance of subordinates. A supervisor may be immediately superior in the employee's chain of command or may be removed, but directly in the employee's chain of command.

#### 4. **STANDARDS**

##### A. **Rating Forms**

1. The Department of Civil Service has developed Performance Management and Competency Evaluation forms that may be used for (1) probationary ratings; (2) annual evaluations for

nonprobationary employees; and (3) progress reviews, including reviews conducted at the 6-month point after conversion or hire into a performance-pay plan classification. There is a rating form for employees in each group of the equitable classification plan and a separate form for Information Technology Pilot Program employees.

Group 1 Employees	CS-1750
Group 2 Employees	CS-1751
Group 3 Employees	CS-1752
Group 4/SES Employees	CS-1719B
IT Pilot Employees	CS-1744

The Performance Management Employee Evaluation form (CS-1719) for Employees in Performance-Pay Programs (Groups 1, 2, and 3) is also available from the Department of Civil Service. A separate interim rating form, Interim Employee Rating (CS-375), must be used for interim and follow-up ratings.

2. An appointing authority may use alternative rating forms instead of the Department of Civil Service forms as specified in their performance management plan approved by the Department of Civil Service.
3. For purposes of this regulation, a ratings of "Meeting Expectations," "Exceeding Expectations," "Fully Competent," and "Highly Competent" are equivalent to a satisfactory rating.

#### **B. Probationary Period Ratings**

1. Probationary periods are required in any one of the following circumstances: (1) hire; (2) promotion; and (3) lateral job change between departments to a different classification. A probationary period is not required for Senior Executive Service (SES) and Senior Executive Management Assistant Service (SEMAS) employees.
2. For reinstatement, lateral job change to a different classification in the same department, or demotion, a probationary period is not required but may be established.
3. Full-time probationary employees shall be reviewed upon completion of 6 months and 12 months of service. Less than full-time probationary employees shall be reviewed upon completion of 9 months and 18 months of service. New hires without



status shall also be reviewed upon completion of 3 months of service.

4. All supervisory, managerial, administrative, and executive employees must have included in their performance management plan, a factor or competency to establish a performance expectation for conducting timely and effective employee ratings.
5. Probationary ratings should be completed by the supervisor within 14 days of the end of the rating period.
6. An employee who disagrees with a rating may prepare and submit to the appointing authority a written statement taking exception to the rating.
7. The probationary period will continue upon reclassification upward in a series only if the employee has not completed the probationary period before the effective date of the reclassification.
8. An appointing authority may demote or dismiss an employee receiving an unsatisfactory rating. If an unsatisfactory rating is issued at the 12-month point but the employee is not dismissed, the appointing authority must extend the probationary period and issue another probationary rating during or at the end of the extended probationary period.
9. If an employee with status is appointed to a new classification level and does not perform satisfactorily at the new level, the appointing authority may demote the employee to the former level at which the employee gained status or dismiss the employee. In the event that the appointing authority chooses demotion and there is no vacant position at the former level, the employee may exercise employment preference in accordance with rule 2-5 [Employment Preference].
10. Satisfactory ratings are not grievable.
11. An unsatisfactory probationary rating is considered discipline and shall be conducted in accordance with rule 2-6 [Discipline].
12. An unsatisfactory probationary rating may be grieved in accordance with the provisions of regulation 8.01 [Grievance and Grievance Appeal Procedures] or applicable collective bargaining agreements.

**C. Annual Evaluation and Progress Review (Nonprobationary Employees)**

1. An annual evaluation of an employee's performance shall be conducted. The appointing authority shall determine whether employees will be evaluated on their anniversary date, or if a common annual review date will be established. The supervisor shall review the employee's performance or behavior in relation to the established performance factors, objectives and competencies.
2. Progress reviews may be conducted during the course of the annual evaluation period. Employees in performance-pay plan classifications may receive a progress review 6 months after appointment or conversion to a performance-pay classification.
3. Progress reviews, if conducted, and annual evaluations should be completed by the supervisor within 28 days after the end of the rating period.
4. A factor or competency to establish a performance expectation for conducting timely and effective employee evaluations must be included in the performance management plan for all supervisory, managerial, administrative, and executive employees.
5. Modifications to performance factors, objectives, or competencies may be made at any time to reflect a change of assignments or expectations. When changes are made, the employee and supervisor must sign and date the revised rating form.
6. If a "Needs Improvement" evaluation is issued, the appointing authority must establish a plan for improving the employee's performance or behavior.
7. An employee who disagrees with an evaluation may prepare and submit to the appointing authority a written statement taking exception to the rating.
8. Annual evaluations and progress reviews are not discipline.
9. Annual evaluations and progress reviews may not be grieved except for a less than satisfactory overall performance-pay evaluation issued without just cause. An annual evaluation or progress review of "Needs Improvement" (the less than satisfactory overall performance-pay evaluation) issued without just cause may be

grieved in accordance with the provisions of regulation 8.01 [Grievance and Grievance Appeal Procedures].

10. If an employee is under an unsatisfactory interim rating, an annual evaluation should not be conducted. The corrective action being taken should continue.

**D. Interim and Follow-up Ratings (Nonprobationary Employees)**

1. Interim and follow-up ratings may be conducted to evaluate and document employees' unsatisfactory performance or behavior during the annual review period.
2. Experience gained while under an unsatisfactory interim or follow-up rating is not creditable for advancement in pay, qualification, or reclassification purposes.
3. An employee who disagrees with a rating may prepare and submit to the appointing authority a written statement taking exception to the rating.
4. An interim rating shall address specific performance or behavior problems, identify specific expectations for improvement, and establish a time frame for improvement during a follow-up rating period. The follow-up rating is due within 14 days after the end of the established review period.
5. An unsatisfactory interim rating is typically preceded by counseling, reprimands, or other forms of corrective action regarding the employee's performance or behavior.
6. A follow-up rating period must be established whenever an unsatisfactory interim rating is issued and the employee is not dismissed. Unless a different duration rating period is established, the duration of a follow-up rating period is 3 months.
7. The follow-up rating is due within 14 calendar days after the end of the follow-up rating period. If the appointing authority does not issue a follow-up rating before or within 14 calendar days after the end of the rating period, the employee may request in writing that one be issued. If the appointing authority does not issue a follow-up rating within 14 calendar days after the employee's request, the employee shall be returned to satisfactory standing effective at the end of the rating period.

March 18, 2001	<b>Reg. 2.06:</b> Conducting Employee Ratings	Page 12 of 17
----------------	---	---------------

8. If an employee performs satisfactorily during the follow-up rating period, the employee shall be returned to satisfactory standing effective at the end of the rating period.
9. If an employee's performance is unsatisfactory during the follow-up rating period, counseling memos, reprimands, or other forms of corrective action are typically taken followed by an unsatisfactory follow-up rating.
10. An unsatisfactory interim or follow-up rating is considered discipline and shall be conducted in accordance with rule 2-6 [Discipline].
11. If an employee's last two service ratings have been unsatisfactory and the appointing authority has taken no adverse action, the state personnel director may recommend to the civil service commission that the employee be removed from the position.
12. An unsatisfactory interim or follow-up rating may be grieved in accordance with the provisions of regulation 8.01 [Grievance and Grievance Appeal Procedures] or an applicable collective bargaining agreement.

## 5. PROCEDURES

### A. Probationary Ratings

<u>Responsibility</u>	<u>Action</u>
Supervisor or Supervisor and employee	1. Identifies performance factors that are measurable and specific to establish expectations for the rating period. Selects competencies according to instructions on the appropriate form. For Group-1 employees, only competencies are required and performance factors are optional.
Supervisor	2. At the beginning of each rating period reviews the performance factors, objectives, and competencies with the employee. Explains the established expectations and criteria for the employee's performance rating at the end of that review period.
Employee	3. Signs and dates the form certifying review of factors, objectives, or competencies. In addition, sign off that supervisor explained expectations and criteria.
Supervisor	4. Signs and dates the form and provides the employee with a copy of the signed rating form.  5. At the time of evaluation, provides a written review of the employee's performance for the period covered. The evaluation must address what the employee accomplished in relation to established expectations and how the employee met, exceeded, or did not meet the objectives of the rating period as identified in the performance factors, objectives, or competencies.  6. Discusses the evaluation with the employee. Obtains the employee's signature. The employee's signature does not necessarily mean that the employee agrees with the evaluation and rating assigned.

<u>Responsibility (cont.)</u>	<u>Action (cont.)</u>
Supervisor	<p>7. Indicates an employee's refusal to sign the form. The form will be processed as if the employee had signed.</p> <p>8. Signs and retains a copy of the form, gives the employee a copy and forwards the original to the appointing authority.</p> <p>9. At the end of the evaluation period, the supervisor must identify performance factors, objectives, or competencies for the next evaluation period.</p>
Employee	<p>10. An employee who disagrees with a rating may prepare and submit to the appointing authority a written statement taking exception to the rating.</p>
Appointing Authority	<p>11. Files the statement with the rating.</p>

#### **B. Annual Evaluations and Progress Reviews**

<u>Responsibility</u>	<u>Action</u>
Supervisor	<p>1. Identifies performance factors that are measurable and specific to establish expectations for the evaluation period. Selects competencies according to instructions on the appropriate form. For Group-1 employees, only competencies are required and performance factors are optional.</p> <p>2. At the beginning of each rating period, reviews the performance factors, objectives, or competencies with the employee. Explains the established expectations and criteria for the employee's performance rating at the end of that review period.</p>
Employee	<p>3. Signs and dates the form certifying review of factors, objectives, or competencies. In addition, sign off that supervisor explained expectations and criteria.</p>

<b><u>Responsibility (cont.)</u></b>	<b><u>Action (cont.)</u></b>
Supervisor	<ol style="list-style-type: none"> <li>4. Signs and dates the form and provides the employee with a copy of the signed rating form.</li> <li>5. At the time of evaluation, provides a written review of the employee's performance for the period covered. The evaluation must address what the employee accomplished in relation to established expectations and how the employee met, exceeded, or did not meet the objectives of the rating period as identified in the performance factors, objectives, or competencies.</li> <li>6. Discusses the evaluation with the employee. Obtains the employee's signature. The employee's signature does not necessarily mean that the employee agrees with the evaluation and rating assigned.</li> <li>7. Indicates an employee's refusal to sign the form. The form will be processed as if the employee had signed.</li> <li>8. Retains the form, gives the employee a copy, and provides certification to the appointing authority. For a less than satisfactory rating, retains a copy of the form, gives the employee a copy and forwards the original form to the appointing authority.</li> <li>9. At the end of the evaluation period, the supervisor must identify performance factors, objectives, or competencies for the next evaluation period.</li> <li>10. An employee who disagrees with a rating may prepare and submit to the appointing authority a written statement taking exception to the rating.</li> <li>11. Files the statement with the rating.</li> </ol>

**C. Interim and Follow-up Ratings**

<b><u>Responsibility</u></b>	<b><u>Action</u></b>
Supervisor	<ol style="list-style-type: none"><li>1. Follows internal departmental procedures for corrective action in accordance with rule 2-6 and the standards for interim and follow-up ratings.</li><li>2. At the time of rating, provides a written review to the employee for the period covered. The rating shall address whether the employee met or did not meet the requirements of the rating period.</li><li>3. Discusses the rating with the employee. Obtains the employee's signature. The employee's signature does not necessarily mean that the employee agrees with the evaluation and rating assigned.</li><li>4. Indicates an employee's refusal to sign the form. The form will be processed as if the employee had signed.</li><li>5. Retains a copy of the form, gives the employee a copy and forwards the original to the appointing authority.</li></ol>
Employee	<ol style="list-style-type: none"><li>6. An employee who disagrees with a rating may prepare and submit to the appointing authority a written statement taking exception to the rating.</li></ol>
Appointing Authority	<ol style="list-style-type: none"><li>7. Files the statement with the rating.</li><li>8. The appointing authority shall forward a copy of any unsatisfactory rating to the Department of Civil Service. The rating shall be reflected on the employee's employment record.</li></ol>



March 18, 2001	<b>Reg. 2.06:</b> Conducting Employee Ratings	Page 17 of 17
----------------	---	---------------

## **CONTACT**

Questions regarding this regulation should be directed to the Department of Civil Service, P.O. Box 30002, 400 South Pine Street, Lansing, Michigan 48909, (517) 373-3048 or 1-800-788-1766, or MDCS-BHRS@state.mi.us.

**NOTE:** Regulations are issued by the State Personnel Director under authority granted in the State of Michigan *Constitution* and the *Michigan Civil Service Commission Rules*. Regulations that implement Commission Rules are subordinate to those Rules.